



PSC NEWS

Missouri Public Service Commission

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FY-03-160

NATURAL GAS RATES TO CHANGE FOR LACLEDE GAS COMPANY CUSTOMERS UNDER SCHEDULED NATURAL GAS FILING

Jefferson City (June 6, 2003)---To reflect estimated changes in the cost of natural gas, Laclede Gas Company customers will experience an increase in natural gas rates under a scheduled filing reviewed and accepted by the Missouri Public Service Commission. This rate change will take effect on June 13, 2003.

Under tariffs on file with the Commission, Laclede Gas Company is scheduled to make four filings each year (January, March, June and November) to reflect the wholesale supplier cost of natural gas.

A residential customer currently pays \$0.58797 per therm (per 100 cubic feet of gas). Under this filing, the rate will increase to \$0.65882 per therm, an increase of 7 cents per therm. The effect of the new rate on a typical residential natural gas customer for the remaining summer season (June through October) is an increase of approximately \$7 when compared to the rate currently in effect.

Approximately 60% to 70% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does have regulatory review authority to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

This rate change will affect approximately 635,450 Laclede Gas Company natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.

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